

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF SOUTH DAKOTA
CENTRAL DIVISION

FILED
MAR 15 2007
[Signature]
CLERK

UNITED STATES OF AMERICA,

Plaintiff,

vs.

ROBERT JOHN FARRELL and
ANGELITA FARRELL,

Defendants.

CR 07-30019 - 01

INDICTMENT - 02

Conspiracy; Peonage; Forced Labor; False
Statements; Visa Fraud; Harboring;
Trafficking; Confiscation of Passports

18 U.S.C. § 371
18 U.S.C. § 1581
18 U.S.C. §§ 1589(2) and (3)
18 U.S.C. § 1001
18 U.S.C. § 1546(a)
8 U.S.C. §§ 1324(a)(1)(A)(iv) and (a)(1)(B)(I)
18 U.S.C. § 1590
18 U.S.C. §§ 1592(a)(1) and (2)

The Grand Jury charges:

COUNT 1.
(Conspiracy re: Peonage)

From on or about November 1, 2005, to the present, in the District of South Dakota and elsewhere, defendants, Robert John Farrell and Angelita Farrell, knowingly and willfully conspired and agreed together with each other and other persons known and unknown to the grand jury, to commit offenses against the United States of America as follows:

To hold and return persons intending to place them in a condition of peonage, in violation of 18 U.S.C. § 1581.

In furtherance of the conspiracy, and to achieve the objects thereof, defendants and their co-conspirators, known and unknown, committed and caused to be committed the following overt acts, among others, in the District of South Dakota and elsewhere:

OVERT ACT 1.

From on or about November 1, 2005, to the present, defendants brought workers from the Philippines to the District of South Dakota under the color of H2B visas. Defendants stated that the workers would be employed as housekeepers for reasonable wages at defendants' hotel. Defendants then forced those workers to labor under inflated debt contracts and paid them less than what had been promised.

OVERT ACT 2.

From on or about November 1, 2005, to the present, defendants kept the workers closely guarded and restricted the workers' movements by monitoring the workers' interactions and movements, restricting and monitoring the workers' use of telephones, and confiscating and holding the workers' passports.

OVERT ACT 3.

From on or about November 1, 2005, to the present, defendants demanded that the workers repay large debt contracts and extracted payments from the workers through coercive means such as intimidation, threats of physical violence, the confiscation of large portions of the workers' paychecks, the subcontracting of the workers' services to other businesses to generate income to pay down the workers' debt contracts, and threats to report the workers to federal authorities if the workers refused to comply with their orders.

all in violation of 18 U.S.C. § 371.

COUNT 2.
(Peonage)

Between on or about November 1, 2005, to the present, in the District of South Dakota and elsewhere, defendants, Robert John Farrell and Angelita Farrell, held and returned persons intending to place them in a condition of peonage, to-wit: defendants brought foreign workers to the District of South Dakota, then forced those workers to labor under inflated debt contracts, held the workers' passports to restrict their movements, monitored their movements, threatened physical violence, paid them less than what had been promised, confiscated large portions of their paychecks, subcontracted their services to other businesses to generate income to pay down the debt contracts, and threatened reporting the workers to federal authorities if they refused to comply with their orders, all in violation of 18 U.S.C. § 1581.

COUNT 3.
(Conspiracy re: Forced Labor)

From on or about November 1, 2005, to the present, in the District of South Dakota and elsewhere, defendants, Robert John Farrell and Angelita Farrell, knowingly and willfully conspired and agreed together with each other and other persons known and unknown to the grand jury, to commit offenses against the United States of America as follows:

To knowingly provide and obtain the labor and services of persons by means of a scheme, plan, and pattern intended to cause the persons to believe that if they did not perform such labor and services, that those persons and others would suffer serious harm and physical restraint, and by means of the abuse and threatened abuse of law and the legal process, all in violation of 18 U.S.C. §§ 1589(2) and (3).

In furtherance of the conspiracy, and to achieve the objects thereof, defendants and their co-conspirators, known and unknown, committed and caused to be committed the following overt acts, among others, in the District of South Dakota and elsewhere:

OVERT ACT 1.

From on or about November 1, 2005, to the present, defendants brought workers from the Philippines to the District of South Dakota, under the color of H2B visas, stating that the workers would be employed as housekeepers at defendants' hotel. Defendants recruited the workers and represented to them and to government officials who reviewed the H2B visa applications that the workers would be paid reasonable wages and would not be responsible for travel and administrative expenses. Once the workers arrived, defendants paid them less than what had been promised and forced the workers to labor under inflated debt contracts that included obligations to repay, among other things, travel and administrative expenses.

OVERT ACT 2.

From on or about November 1, 2005, to the present, defendants made threats to the workers that, if the alleged debts were not repaid, the workers and their families might be subject to physical violence.

OVERT ACT 3.

From on or about November 1, 2005, to the present, defendants confiscated large portions of the workers' paychecks and subcontracted the workers' services to other businesses to generate income to pay down the workers' inflated debt contracts.

OVERT ACT 4.

From on or about November 1, 2005, to the present, defendants threatened to report the workers to federal authorities if the workers refused to comply with defendants' orders.

OVERT ACT 5.

From on or about November 1, 2005, to the present, defendants kept the workers closely guarded by monitoring the workers' movements and interactions, restricting and monitoring the workers' use of telephones, and confiscating and holding the workers' passports. all in violation of 18 U.S.C. § 371.

**COUNT 4.
(Forced Labor)**

Between on or about November 1, 2005, to the present, in the District of South Dakota and elsewhere, defendants, Robert John Farrell and Angelita Farrell, knowingly provided and obtained the labor and services of persons by means of a scheme, plan, and pattern intended to cause the persons to believe that if they did not perform such labor and services, that those persons and others would suffer serious harm and physical restraint, and by means of the abuse and threatened abuse of law and the legal process, to-wit: defendants forced foreign workers to labor under inflated debt contracts, confiscated and held the workers' passports to restrict their movements, monitored their movements and interactions, threatened physical violence, and threatened reporting the workers to federal authorities if they refused to comply with defendants' orders, all in violation of 18 U.S.C. §§ 1589(2) and (3).

**COUNT 5.
(False Statements)**

Between on or about September 1, 2005, and April 2006, in the District of South Dakota and elsewhere, in a matter within the jurisdiction of the United States Department of State, a department of the United States, defendants, Robert John Farrell and Angelita Farrell, made and used false writings and documents, to-wit: defendants presented employment contracts attached to H2B visa applications, knowing the same to contain materially false, fictitious, and fraudulent statements and

entries regarding who would employ the employees, that the employees would be filling housekeeping positions only, that the employees would receive a certain hourly wage, and that the employees would not be held responsible for their transportation expenses, all in violation of 18 U.S.C. § 1001.

COUNT 6.
(False Statements)

Between on or about September 1, 2005, and April 2006, in the District of South Dakota and elsewhere, in a matter within the jurisdiction of the United States Department of State, a department of the United States, defendants, Robert John Farrell and Angelita Farrell, made and used false writings and documents, to-wit: defendants presented phony paychecks and payroll records and represented that those documents contained correct information regarding wages for foreign workers as part of the H2B visa application process, knowing the same to contain materially false, fictitious, and fraudulent statements and entries, all in violation of 18 U.S.C. § 1001.

COUNT 7.
(Visa Fraud)

During about January, 2006, in the District of South Dakota and elsewhere, defendants, Robert John Farrell and Angelita Farrell, knowingly made false statements with respect to a material fact in DHS Forms I-129 Petition for Nonimmigrant Worker, documents required by the immigration laws, in that they falsely indicated that the employees listed on the Forms I-129 would be employed solely as housekeepers with AFO of Oacoma, Inc., dba Comfort Inn and Suite, when in fact defendants knew those statements to be false, all in violation of 18 U.S.C. § 1546(a).

**COUNT 8.
(Harboring)**

Between on or about September 1, 2005, and July, 2006, in the District of South Dakota and elsewhere, defendants, Robert John Farrell and Angelita Farrell, knowingly encouraged and induced aliens to come to, enter, and reside in the United States, knowing and in reckless disregard of the fact that such coming to, entry, and residence was and would be in violation of law, and they did so for the purpose of commercial advantage and private financial gain. Specifically, defendants encouraged and induced various alien workers to come to the District of South Dakota under the color of H2B visas, knowing and recklessly disregarding that those aliens would be employed in positions for which they were not approved under the H2B program, all in violation of 8 U.S.C. §§ 1324(a)(1)(A)(iv) and (a)(1)(B)(I).

**COUNT 9.
(Trafficking)**

Between on or about November 1, 2005, to the present, in the District of South Dakota and elsewhere, defendants, Robert John Farrell and Angelita Farrell, knowingly recruited, harbored, transported, provided, and obtained persons for labor and services in violation of Chapter 77 of the U.S. Code, all in violation of 18 U.S.C. § 1590.

**COUNT 10.
(Confiscation of Passports)**

Between on or about October 1, 2005, and July 2006, in the District of South Dakota and elsewhere, defendants, Robert John Farrell and Angelita Farrell, knowingly concealed, removed, confiscated, and possessed actual and purported passports of other persons, in the course of violating and intending to violate 18 U.S.C. §§ 1581, 1589 and 1590, all in violation of 18 U.S.C. §§ 1592(a)(1) and (2).

A TRUE BILL:


Foreperson

MARTY J. JACKLEY
United States Attorney

By: 